

APR 12 1967

# FAB METAL MINES LIMITED

## *Annual Report*

For the year ended December 31, 1964

# Fab Metal Mines Limited

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OFFICERS	FRED A. BOYLEN	- - - - -	President
	S. A. PERRY	- - - - -	Vice-President
	G. D. PATTISON	- - - - -	Secretary-Treasurer
	R. D. BELL	- - - - -	Asst. Secretary-Treasurer

DIRECTORS	FRED A. BOYLEN	- - - - -	Toronto, Ontario
	S. A. PERRY	- - - - -	Toronto, Ontario
	G. D. PATTISON	- - - - -	Toronto, Ontario
	F. R. BOYLEN	- - - - -	Toronto, Ontario
	R. D. BELL	- - - - -	Toronto, Ontario

AUDITORS	THORNE, MULHOLLAND, HOWSON & McPHERSON	- -	Toronto, Ontario
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TRANSFER AGENT AND REGISTRAR	EASTERN & CHARTERED TRUST COMPANY	- - - -	Toronto, Ontario
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HEAD OFFICE	SUITE 509, 25 ADELAIDE STREET WEST	- - - -	Toronto, Ontario
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# Fab Metal Mines Limited

Suite 509, 25 Adelaide Street West  
Toronto 1, Ontario

## *Report of the Directors*

To the Shareholders,  
FAB METAL MINES LIMITED.

Your Directors submit herewith the financial statement of your Company for the year ended December 31, 1964, with Auditors' Report thereon dated March 3, 1965.

During the past year your Company continued exploration on its property situated between the major ore bodies of Brunswick Mining and Smelting Corporation Limited in the Bathurst area of New Brunswick. Several progress reports were mailed to the shareholders during the past year, the latest in May, 1965. Following the recommendations of your Consulting Engineers, the Company is reviewing all previous work performed on the claims, and deep diamond drilling is continuing on the property. A new mineralized zone containing minor amounts of copper, lead, zinc and silver which did not come to the surface, was encountered in one of the first holes of the current 1965 series of holes. This zone is up to 100 feet wide and some good values were obtained over narrow widths. It is believed that by drilling this zone both horizontally and vertically a change in the geological structure may occur, such as drag folding, dip changes, etc., which could result in higher values. These conditions occur on the properties to the north and south.

The twenty-five claims acquired by staking early in 1964 in the copper-molybdenum area of Nicholas Denys, Bathurst area, New Brunswick, appear to be quite favourable for the deposition of these metals and others. A reprint of the report by the Geological Survey of Canada, Department of Mines, 1964, is herewith enclosed, showing the location of your Company's claims. We are geochemically sampling this property at the present time and it is anticipated diamond drilling will follow the completion of this program.

The Company's properties in Urban Township, northwestern Quebec, have been kept in good standing, and it has been recommended that further exploration be done. An additional twenty-five claims in two groups were acquired by staking in two favourable sections shown on the government maps of the area. A partial geophysical survey was performed on these claims late in 1964 and preparations are being made to continue and complete this survey.

During the first quarter of 1965, \$145,000 was placed in the Company's treasury from the sale of stock. Of the remaining 1,200,000 shares in the treasury, 200,000 are under option at 30¢ per share.

Submitted on behalf of the Board,

FRED A. BOYLEN,  
President.

Toronto, Ontario,  
June 9, 1965.

# Fab Metal M

Incorporated und

## Balance Sheet—

### ASSETS

#### CURRENT ASSETS:

Cash .....	3,217.54	
Marketable securities, at cost (market value \$15,315.00) .....	20,127.81	
Deposit with Quebec Securities Commission .....	1,000.00	
Accounts receivable .....	1,149.85	
Due from director .....	8,260.59	33,755.79

INVESTMENT IN A MINING COMPANY, at nominal value (no quoted value) ..... 1.00

CAMP EQUIPMENT, at cost ..... 2,192.50

MINING PROPERTIES AND CLAIMS, at cost in cash (note 1) ..... 30,965.25

#### DEFERRED CHARGES:

Exploration and development (note 2) .....	248,866.59	
Administration .....	168,179.06	417,045.65

Approved on behalf of the Board:

FRED A. BOYLEN, Director.

G. D. PATTISON, Director.

\$483,960.19

The accompanying notes are

AUDITO

To the Shareholders of  
FAB METAL MINES LIMITED:

We have examined the balance sheet of Fab Metal Mines Limited as at December 31, 1964 and the results of its operations for the year ended on that date, in accordance with the circumstances.

In our opinion the accompanying balance sheet and related statements of deficit for the year ended December 31, 1964 and the results of its operations for the year ended on that date, in accordance with the circumstances of the preceding year.

Toronto, Canada,  
March 3, 1965.



# ines Limited

the laws of Ontario

December 31, 1964

## LIABILITIES

### CURRENT LIABILITIES:

Accounts payable and accrued liabilities ..... 2,771.35

## SHAREHOLDERS' EQUITY

### CAPITAL STOCK (note 3):

Authorized, 5,500,000 shares of \$1.00 par value each

Issued, 3,500,000 shares, as follows:

	No. of shares and par value	Discount	Net
Balance at beginning of year .....	3,175,005	2,507,500.00	667,505.00
Issued during year, for cash .....	324,995	276,245.75	48,749.25
Balance at end of year .....	<u>3,500,000</u>	<u>2,783,745.75</u>	<u>716,254.25</u>
DEFICIT .....		236,426.15	
CONTRIBUTED SURPLUS .....		<u>1,360.74</u>	<u>235,065.41</u>
			<u>\$483,960.19</u>

integral part of this statement.

## REPORT

1964 and the statements of deficit and deferred charges for the year ended on that date. accounting records and other supporting evidence as we considered necessary in the

and deferred charges present fairly the financial position of the company as at December generally accepted accounting principles applied on a basis consistent with that of the

THORNE, MULHOLLAND, HOWSON & McPHERSON,  
Chartered Accountants.

# Fab Metal Mines Limited

## Notes to Financial Statement

Year ended December 31, 1964

### 1. MINING PROPERTIES AND CLAIMS:

8 Patented mining claims and 50 acres of land in fee simple in Cardiff Township, Ontario .....	7,550.00
106 Mining claims in the Parish of Bathurst, Gloucester County, New Brunswick .....	17,300.00
37 Mining claims in Urban and Carpiquet Townships, Quebec .....	3,115.25
6 Mining claims in Barry Township, Quebec .....	3,000.00
	<u>\$ 30,965.25</u>

### 2. DEFERRED CHARGES, EXPLORATION AND DEVELOPMENT:

Location of mining claims	Balance at beginning of year	Expenditures during year	Transferred to deficit	Balance at end of year
Cardiff Township, Ontario .....	6,465.01	154.32		6,619.33
Gloucester County, New Brunswick .....	200,681.62	10,008.94		210,690.56
Urban and Carpiquet Townships, Quebec .....	21,031.97	6,875.37		27,907.34
General .....	13,253.27	800.00	10,403.91	3,649.36
	<u>\$241,431.87</u>	<u>\$17,838.63</u>	<u>\$10,403.91</u>	<u>\$248,866.59</u>

### 3. CAPITAL STOCK:

#### INCREASE IN CAPITAL

By Supplementary Letters Patent dated July 14, 1964, the company's authorized capital was increased from 3,500,000 shares of \$1.00 par value each to 5,500,000 shares.

#### UNDERWRITING AND OPTION

By agreement dated October 28, 1964, the company agreed to sell to an underwriter 200,000 shares of capital stock at 12½¢ per share on January 27, 1965, the effective date of the said agreement, and in consideration therefor granted the underwriter options to purchase a further 800,000 shares as follows:

200,000 shares at 15¢ per share up to April 27, 1965  
 200,000 shares at 20¢ per share up to July 27, 1965  
 200,000 shares at 25¢ per share up to October 27, 1965  
 200,000 shares at 30¢ per share up to January 27, 1966

Subsequent to December 31, 1964 200,000 shares at 12½¢ and 200,000 shares at 15¢ have been issued under this agreement.

## Statement of Deficit

Year ended December 31, 1964

Deficit at beginning of year .....		227,414.51
ADD:		
Mining claims abandoned:		
Cost of acquisition .....	804.74	
Exploration and development expenses .....	10,403.91	11,208.65
Advances to a mining company written off .....		350.00
		11,558.65
DEDUCT: Profit on sale of investments .....	2,547.01	9,011.64
DEFICIT AT END OF YEAR .....		<u>\$236,426.15</u>



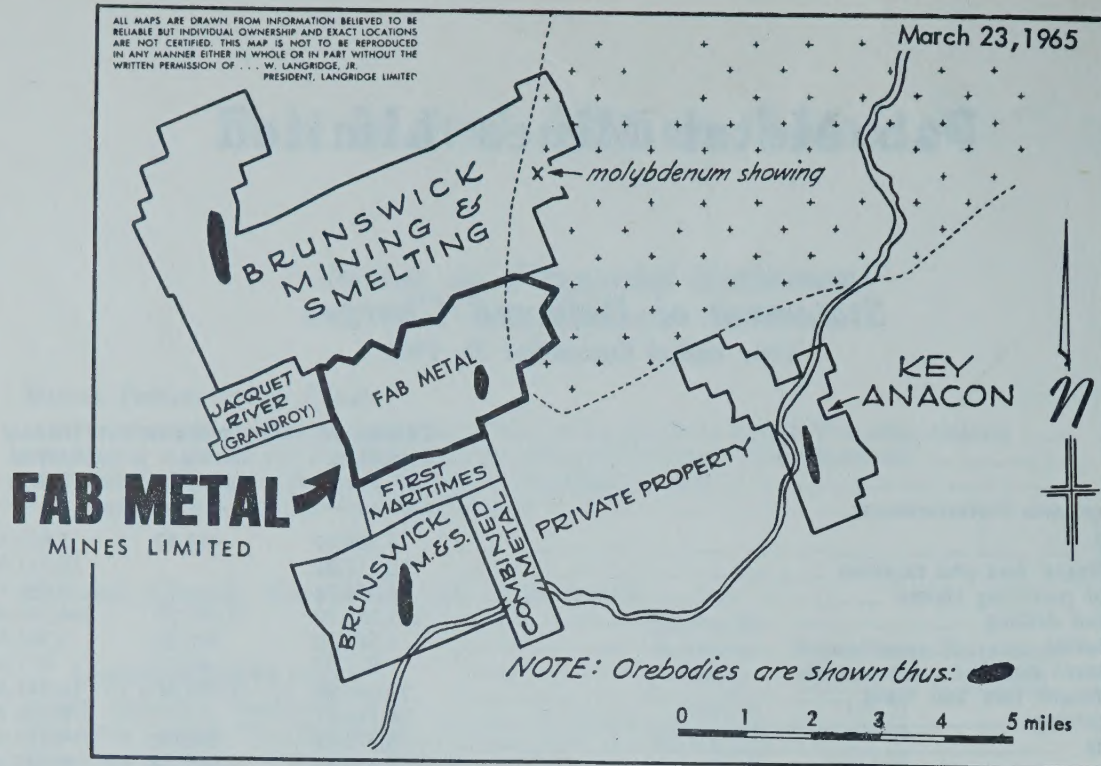
# Fab Metal Mines Limited

## Statement of Deferred Charges

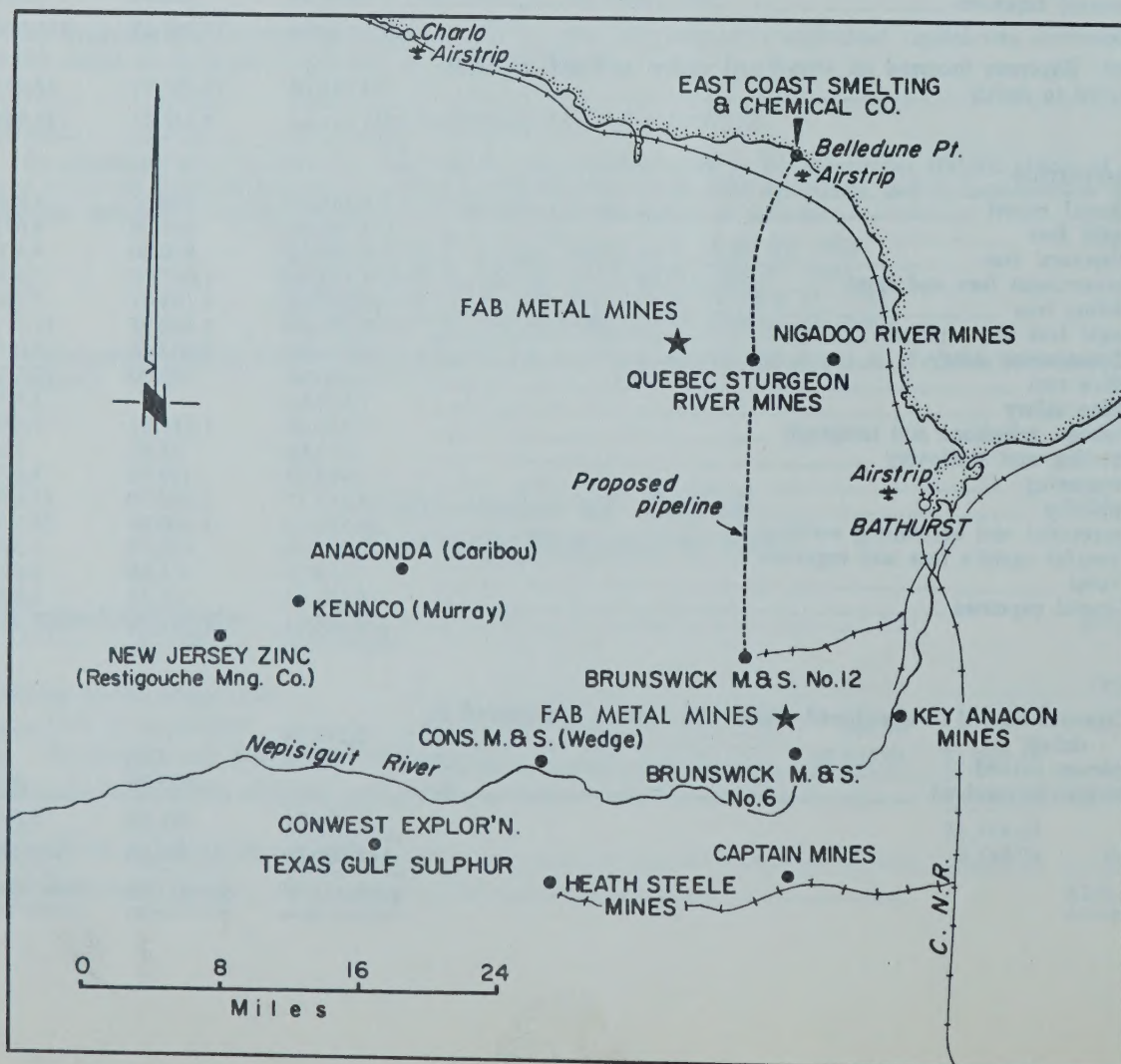
Year ended December 31, 1964

	Balance at beginning of year	Expenditures during year	Balance at end of year
<b>EXPLORATION AND DEVELOPMENT:</b>			
Assays .....	5,208.95	444.30	5,653.25
Consultants' fees and expenses .....	10,711.01		10,711.01
Cost of patenting claims .....	1,058.72		1,058.72
Diamond drilling .....	155,768.30	8,625.79	164,394.09
Engineering .....	3,580.86	386.00	3,966.86
Equipment rentals .....	627.27	44.00	671.27
Government fees and taxes .....	13,048.99	1,496.32	14,545.31
Line cutting .....	6,580.27		6,580.27
Reports .....	3,773.91	500.00	4,273.91
Supplies .....	4,435.16	1,603.89	6,039.05
Surveys .....	39,638.54	1,744.00	41,382.54
Staking .....	115.00	(900.00)	(785.00)
Stripping .....	6,327.00		6,327.00
Travelling and transportation .....	9,210.50	3,111.62	12,322.12
Wages .....	8,381.35	531.40	8,912.75
General expenses .....	5,276.10	251.31	5,527.41
	<u>273,741.93</u>	<u>17,838.63</u>	<u>291,580.56</u>
DEDUCT: Expenses incurred on abandoned claims and options transferred to deficit .....	32,310.06	10,403.91	42,713.97
	<u>241,431.87</u>	<u>7,434.72</u>	<u>248,866.59</u>
<b>ADMINISTRATION:</b>			
Annual report .....	2,375.26	475.52	2,850.78
Audit fees .....	3,750.00	925.00	4,675.00
Directors' fees .....	4,100.00	800.00	4,900.00
Government fees and taxes .....	1,511.03	1,085.00	2,596.03
Listing fees .....	2,575.76	1,194.01	3,769.77
Legal fees and expenses .....	9,372.03	2,480.95	11,852.98
Management salary .....	66,000.00	5,083.26	71,083.26
Office rent .....	9,650.00	900.00	10,550.00
Office salary .....	1,402.50		1,402.50
Postage, telephone and telegraph .....	7,520.46	1,825.01	9,345.47
Printing and stationery .....	477.69	45.62	523.31
Prospectus .....	2,913.59	160.20	3,073.79
Publicity .....	12,315.17	1,380.70	13,695.87
Secretarial and accounting services .....	20,350.00	1,800.00	22,150.00
Transfer agent's fees and expenses .....	5,065.74	478.25	5,543.99
Travel .....	689.79	966.95	1,656.74
General expenses .....	1,524.92	61.27	1,586.19
	<u>151,593.94</u>	<u>19,661.74</u>	<u>171,255.68</u>
<b>DEDUCT:</b>			
Expenses related to abandoned claims and options, transferred to deficit .....	2,775.96		2,775.96
Interest earned .....	17.78	7.88	25.66
Dividends received .....		275.00	275.00
	<u>2,793.74</u>	<u>282.88</u>	<u>3,076.62</u>
	<u>148,800.20</u>	<u>19,378.86</u>	<u>168,179.06</u>
	<u>\$390,232.07</u>	<u>\$26,813.58</u>	<u>\$417,045.65</u>





## The Properties of Fab Metal Mines in Bathurst area New Brunswick in relation to the major orebodies





DEPARTMENT OF  
MINES AND TECHNICAL SURVEYS  
CANADA

ANOMALOUS MOLYBDENUM CONTENT OF STREAM SEDIMENTS  
AND SOILS IN THE VICINITY OF  
THE NICHOLAS DENYS GRANITE, BATHURST AREA,  
NEW BRUNSWICK

ABSTRACT

Stream sediments and soils in the area of the Nicholas Denys granite show higher than normal concentrations of molybdenum and other heavy metals. These occurrences may result from mineralized zones in the contact zone\* of the granite and perhaps also in the granite itself.

\* FAB is on the contact zone.

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This paper draws attention to the anomalous occurrence of molybdenum and other heavy metals in stream sediments and soils in the general area of the Nicholas Denys granite. The molybdenum content in particular suggests that this area should be prospected carefully for molybdenum as well as for base metals.

GENERAL GEOLOGY

The general geology of the area has been described by Skinner (1953), Smith (1957) and by Boyle and Davies (1964). The area is underlain by a variety of argillites, calcareous argillites, and shales that are transformed to skarn-like rocks in the vicinity of the intrusive Nicholas Denys granite. The sedimentary rocks are steeply dipping and are intersected in places by stocks and dykes of quartz-feldspar porphyries that are presumably related to the granite. Numerous faults and fractures cut the sediments and porphyries and may also intersect the Nicholas Denys granite. Several lead-zinc-copper-silver-bearing veins occur in the faults, and there is a deposit of magnetite containing some copper in the area. A garnetized zone containing molybdenite and scheelite was intersected by a diamond-drill hole recently put down by a company working in the area.

FIELD AND LABORATORY WORK

The stream sediments in the Millstream River were collected by A. Y. Smith and M. Tauchid and analyzed for copper, lead, and zinc by G. Mihailov and for molybdenum by Tauchid. The soils were collected and analyzed for molybdenum by Tauchid.

The hot extraction method as described by Gilbert (1964) was used in the determination of the heavy metals (Cu, Pb, Zn). The molybdenum was determined by the thiocyanate method after fusing the samples with potassium bisulphate.

RESULTS

The analytical results are shown on Figures 1 and 2.

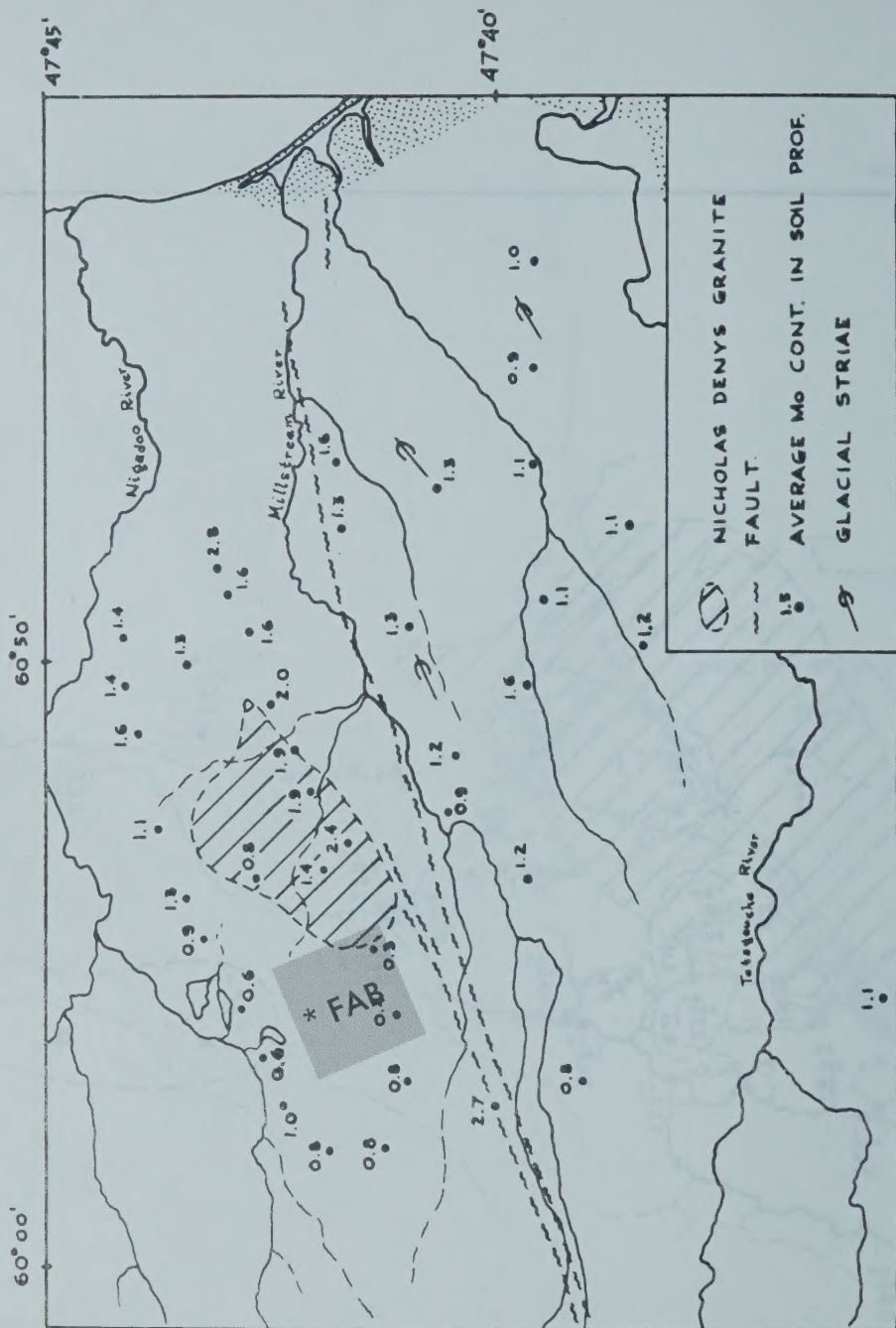


Figure 2. Molybdenum content in soils in the vicinity of the Nicholas Denys granite, Bathurst area, New Brunswick. (Scale: 1 inch equals 2 miles).

\* Has been added by Fab Metal Mines Ltd.

The normal background in the area is considered to be:  
Cu—15 ppm; Pb—25 ppm; Zn—170 ppm; and Mo—1.5 ppm.

Four areas are of particular interest. These are circled on Figure 1 and numbered 1 to 4. Brief comments on each of these areas follow:

No. 1. All metal concentrations are higher than normal, particularly molybdenum, zinc, and lead. One sample also contained up to 12 ppm tungsten.



- No. 2. Higher than normal copper content.
- No. 3. Higher than normal molybdenum content. Recent drilling in the area proved the existence of a garnet zone with molybdenite and scheelite.
- No. 4. Higher than normal molybdenum and lead contents.

Figure 2 shows that the molybdenum content of the soils is higher in the vicinity of the Nicholas Denys granite and along the fault zones to the south. The higher values in the area northeast of the granite body may be due to glaciation.

### CONCLUSIONS

The results indicate the presence of higher than average amounts of molybdenum in the stream sediments and soil in the vicinity of the Nicholas Denys granite. There are also a number of relatively high heavy-metal concentrations that merit consideration.

The molybdenum results suggest the presence of mineralized zones carrying molybdenum and perhaps tungsten in the contact zone of the granite as well as in the granite itself. Detailed soil analyses on a closely spaced grid should be carried out to ascertain the best areas for more detailed prospecting for molybdenum, tungsten, and base-metal mineralization.

### REFERENCES

- Boyle, R.W., and Davies, J.L.  
1964: Geology of the Austin Brook and Brunswick No. 6 sulphide deposits, Gloucester County, New Brunswick; Geol. Surv. Can., Paper 63-24.
- Skinner, R.  
1953: Bathurst, Gloucester and Restigouche Counties, New Brunswick; Geol. Surv. Can., Paper 53-29.
- Smith, C.H.  
1957: Bathurst-Newcastle area, New Brunswick; Geol. Surv. Can., Map 1-1957.
- Gilbert, M.A.  
1959: Field and laboratory methods used by the Geological Survey of Canada in geochemical surveys, No. 1, Laboratory methods for determining copper, zinc, and lead; Geol. Surv. Can., Paper 59-3 (Reprinted 1964).

APR 12 1967

66°00'

65°50'

65°40'

FIGURE 1  
STREAM SEDIMENT SURVEY  
OF  
MILLSTREAM RIVER SYSTEM  
GLOUCESTER CO., N.B.

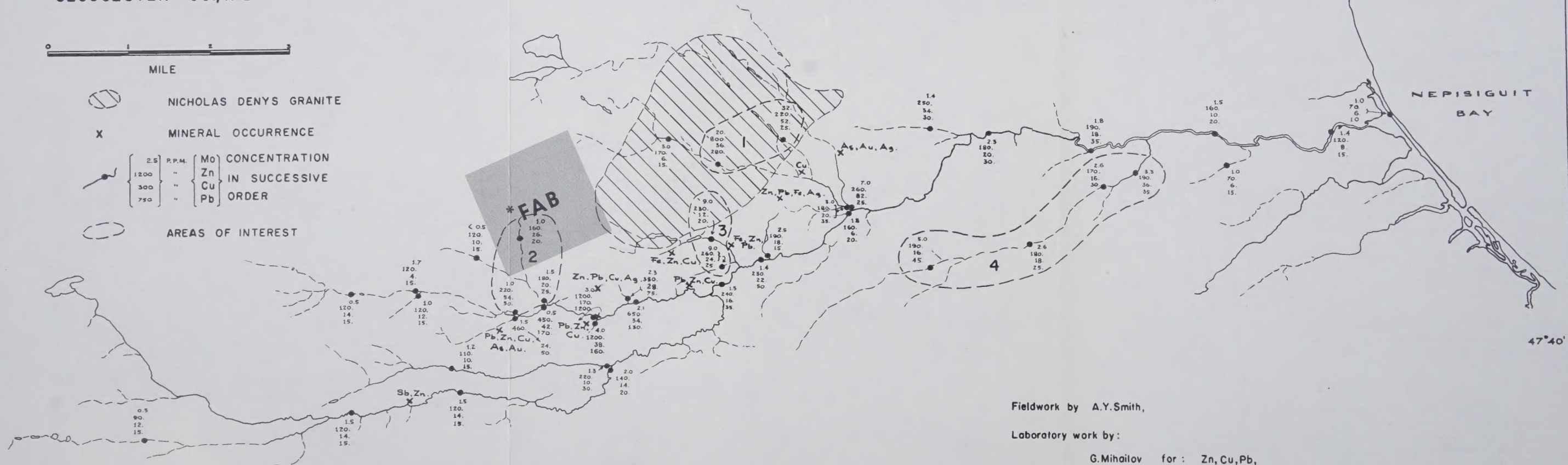
0 1 2 3  
MILE

 NICHOLAS DENYS GRANITE

X MINERAL OCCURRENCE

2.5 P.P.M. Mo  
1200 " Zn  
300 " Cu  
750 " Pb  
CONCENTRATION  
IN SUCCESSIVE  
ORDER

 AREAS OF INTEREST



\* Has been added by Fab Metal Mines Ltd.

Fieldwork by A.Y. Smith,

Laboratory work by:

G. Mihailov for : Zn, Cu, Pb,  
M. Tauchid for : Mo,

M.T. 1964.